## What Can We Learn From Denmark?

## By Heather Gautney, Ph.D.

"No one is *allowed* to be poor." That's how the Danish ambassador, Peter Taksøe-Jensen, described the social system in his country during his visit to the state of Vermont this past weekend. He also talked about Denmark's free and universal health care, free college and graduate school, heavily subsidized childcare, very generous parental leave benefits, extended unemployment benefits and vacation time that would make most Americans very envious.

Sponsored by Senator Bernie Sanders, over 600 people attended town meetings in Burlington, Montpelier, and Brattleboro. Vermonters clearly wanted to hear about Denmark's unique social model.

In the U.S. – where 46 million people live in poverty; life expectancy for poor women is decreasing; and 45,000 people die each year because they can't get to a doctor on time – the idea that "No one is *allowed* to be poor" seems downright utopian.

But it's not. The ambassador's remarks made it abundantly clear that Denmark's social model is based on very real principles – in which universal benefits are seen as a right for all. Interestingly, he pointed out that the overall social model of Denmark has been developed over many, many years and is supported by political parties across the ideological spectrum.

Critics point to the high taxes that Nordic countries like Denmark pay for the very generous benefits they receive. It's true, Danes do pay high taxes. In fact, they're the highest in the world. But the benefits and security they receive result in survey after survey listing them as one of the happiest people in the world -- far ahead of Americans.

Take healthcare, for instance. In Denmark, all people receive high quality health care with virtually no-out-of-pocket cost. Private hospitals exist, but they make up only 5 percent of the system. Contrary to the free market ideologues in our country who want to privatize every aspect of American health care, Denmark's publically financed system has better outcomes than ours while still being less expensive. In fact, Denmark spends half of what we spend as a percentage of GDP. Yet they live longer on average, and our <u>infant mortality</u> rate is nearly twice theirs, as is our maternal mortality rate.

The key to such efficiency lies, in part, in promoting a healthy lifestyle. Denmark is known for its vibrant bike culture, but also in treating patients before they become very ill. Within a system

of local primary care units, Danes can access screening and early treatment without deductibles, co-pays, and other out-of-pocket expenses. Studies show that early treatment through primary care not only reduces human suffering, but is linked to high quality care and low cost.

What else do the Danish people get for their tax dollars? According to the ambassador, mothers get four weeks of <u>paid leave</u> before giving birth and 14 weeks afterward. Fathers get two paid weeks off. Both parents have the right to 32 more weeks of leave during the first nine years of a child's life. The state pays three quarters of the cost of <u>child care</u>, and even more for low income earners

By contrast, in the U.S., where one in five children live in poverty, federal law guarantees new mothers only three months off -- with no pay guarantee -- if they're lucky enough to work for a company with 50-plus employees. You can count on one hand the number of states that provide paid leave.

In terms of higher education, college and graduate school are free. While outrageous tuition increases are leaving the average American student some \$26,000 in debt, Danish students not only enjoy free tuition but receive a stipend for living expenses.

In Denmark, workers change jobs often and have high-level job training to make the transition easier. Further, unemployment benefits cover up to 90 percent of one's income over two years. In the United States, in contrast, there are states where workers only receive 26 weeks of benefits.

Danish social policy focuses not only on economic growth but on quality of life. In fact, they pride themselves on achieving a "work-life balance," in which money and prestige are traded for shorter working days and much longer vacations. Danes enjoy a government-mandated minimum of five weeks off, plus eleven paid holidays. They have a high degree of flexibility at work, and can often choose when they start their work day or whether to work from home.

Much has been said in the U.S as well as Europe about the effect of rising health care and pension costs for an aging population on the national economy. Denmark's people are significantly older than the U.S. – 18 percent are over 65, compared to 13 percent here. But their strong commitment to seniors has earned them the world's first A-rated pension system, and not surprisingly, incredibly low rates of senior poverty— about half our rate.

As the ambassador put it, it's not possible to become filthy rich in Denmark. But it's also not possible to become very poor. People who are totally out of the labor market, and those unable to care for themselves, have a basic income guarantee of \$100 per day. Since our welfare benefits are limited to the very poor, and poverty thresholds are so low, there are more than 10 million working poor people in America and far too many children live in poverty.

If Gandhi was right -- that "a nation's greatness is measured by how it treats its weakest members"-- then surely Denmark is a great nation for refusing to accept unnecessary poverty or illness among its people.

In addition to the well-being of its people, the Danish state puts a high value on the environment. It is moving forward aggressively in terms of energy efficiency and sustainable energy. Denmark hopes to achieve 100 percent renewable energy by 2050.

Denmark is a small homogenous country of 5.5 million people. The United States is a melting pot of 315 million. Despite the great differences between our country, it is clear to me that there are lessons we can learn from Denmark's extraordinary achievements.

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